

Message Text

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21

ACTION ARA-10

INFO OCT-01 ISO-00 AID-05 CIAE-00 COME-00 EB-07 FRB-01

INR-07 NSAE-00 USIA-15 TRSE-00 XMB-04 OPIC-06 SP-02

CIEP-02 LAB-04 SIL-01 OMB-01 PA-02 PRS-01 PER-03

ABF-01 FSE-00 /073 W

----- 112651

R 202145Z MAY 75

FM AMEMBASSY SANTIAGO

TO SECSTATE WASHDC 3336

UNCLAS SANTIAGO 3419

E.O.11652:N/A

TAGS: ECON, AFSP, AFIN, CI

SUBJ: LOCAL WAGE ADJUSTMENTS

REF: A) SANTIAGO 1481; B) SANTIAGO 3170; C) SANTIAGO 3077

1. SUMMARY; GOC HAS RELEASED DETAILS OF THE 71 PERCENT WAGE READJUSTMENT TO TAKE EFFECT JUNE 1. END SUMMARY.
2. WAGE READJUSTMENT EFFECTIVE JUNE 1 IS BASED ON FULL AMOUNT OF INFLATION (CPI) EXPERIENCED DURING MONTHS FEBRUARY, MARCH AND APRIL. ALL ITEMS REPORTED ADJUSTED UPWARD 71 PERCENT TO FOLLOWING LEVELS:

CIVIL SERVICE PAY SCALE (ESCALA UNICA COMPLETELY READJUSTED WITH MINIMUM PUBLIC SECTOR WAGE SET AT E0.132,600 PER MONTH;

PRIVATE SECTOR MINIMUM WAGE COMPUTES TO E0.181,900 PER MONTH;

FAMILY ALLOWANCE INCREASED TO E0.21,600 PER DEPENDENT PER MONTH;
TRANSPORTATION ALLOWANCE SET AT E0.19,200 PER MONTH;
LUNCH ALLOWANCE, WHICH IS ONLY GIVEN TO PUBLIC SECTOR EMPLOYEES, INCREASED TO E0.23,589.

3. COMMENT: AS NOTED REF C, THIS WILL BE LAST READJUSTMENT UNDER PRESENT SYSTEM WITH SEPTEMBER READJUSTMENT TO BE BASED ON INFLATION
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EXPERIENCED IN JULY, AUGUST, AND SEPTEMBER. PRELIMINARY INDICATIONS

ARE THAT MAY INFLATION WILL EXCEED PREVIOUS EMBASSY ESTIMATES.
SINCE NEITHER MAY NOR JUNE INFLATION WILL BE COMPUTED IN NEXT
WAGE READJUSTMENT THIS SUGGESTS REAL WAGES MAY BE DEPRESSED
MORE THAN ORIGINALLY ANTICIPATED OVER NEXT FOUR MONTHS.
POPPER

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Message Attributes

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Draft Date: 20 MAY 1975
Decaption Date: 01 JAN 1960
Decaption Note:
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Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
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Margaret P. Grafeld
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05 JUL 2006

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